



HOA Management Agreement

THIS AGREEMENT is made the 1st day of June , 2022

BETWEEN:

HORSTMAN HOUSE OWNERS' ASSOCIATION

4653 Blackcomb Way

Whistler, British Columbia V8E 0Y9

(the "Association")

AND:

2162161 ALBERTA, Ltd. (dba Whistler Premier)

4557 Blackcomb Way

Whistler, British Columbia V8E 0Y2

(the "Manager")

WITNESSES THAT WHEREAS:

- A. The Association is a society created under the Society Act (British Columbia) under incorporation #S-40895;
- B. Horstman House (the "Development") is a condominium hotel development located on lands in the Resort Municipality of Whistler previously legally described as PID: 018-895-883, Lot 45, District Lot 4214, Plan LMP18291 and subsequently subdivided by the deposit of Strata Plan LMS4141 in the New Westminster/Vancouver Land Title Office;
- C. The Development contains 51 residential strata lots (the "Residential Units") each of which is subject to a registered lease (the "Association Lease") in favour of the Association;

- D. Pursuant to a prospectus dated March 24, 2000 (the "Prospectus"), Blackcomb Skiing Enterprises Limited Partnership (the "Developer") has sold to the public undivided one-quarter fee simple interests in the Residential Units;
- E. Under the terms of each Head Lease, the Association is obligated to enter into a Sublease (each, a "Quarter Use Lease") with each of the purchasers (the "Quarter Owners") of undivided one-quarter fee simple interests in the Residential Units;
- F. Pursuant to the terms of their contracts of purchase and sale with the Developer, each Quarter Owner is required to enter into a Quarter Use Lease with the Association;
- G. The Quarter Use Lease will, inter alia, permit each Quarter Owner to use his or her Residential Unit for a minimum of 12 non-consecutive weeks each year (each, a "Quarter Use Period") and provides for the rental of the Residential Unit by the Association on behalf of the Quarter Owner if the Quarter Owner has not reserved the use of the Residential Unit for himself or his nominees or designate;
- H. The membership of the Association consists, or will consist, of all of the Quarter Owners;
- I. The Quarter Use Lease provides that the Association may contract with a third party to carry out some or all of the Association's functions, duties and obligations thereunder; and
- J. The Association has appointed the Manager to act as the agent of the Association to carry out substantially all of the Associations functions, duties and obligations under the Quarter Use Leases, and the Manager has agreed to do so on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual covenants, conditions and Agreements herein contained, the Association and the Manager hereby covenant and agree as follows:

ARTICLE 1 APPOINTMENT AND TERM

1.1 Appointment. The Association hereby appoints the Manager as sole and exclusive agent of the Association to provide professional asset management services in carrying out substantially all of the functions, duties and obligations of the Association pursuant to each Quarter Use Lease relating to both the Owner Experience and the Marketing and Rental Management of the Unit, as well as the duties of the manager contemplated in the bylaws of the Association (the "Association Bylaws"), as directed by the Association from time to time, for the term set out in section 1.4, and the Manager hereby accepts such appointment.

1.2 The Manager has described its appointment as follows.

- a) The professional asset management services provided by the Manager herein will focus on 1) preserving the long-term and/or appreciative value of the Residential Units, 2) deriving a financial return for the Quarter Owners from their Quarter Share of the Residential Units, and 3) helping each Quarter Owner enjoy personal use of their Quarter Share of the Residential Units.
- b) A comparison to another type of asset management – wealth and investments – can be helpful. An investor who hires an advisor to manage their financial asset is looking for 1) preservation of the principal value of the financial asset, which may be used later to comfortably retire or provide an inheritance, 2) an annual return on wisely investing the financial asset in stocks, bonds or other asset classes, and 3) the opportunity to personally use the financial asset from time to time to purchase a home or a vehicle, pay for schooling, take a vacation, or some other personal interest.
- c) Similarly for a Quarter Owner of a Quarter Share of a Unit in the Development, the Manager's objective as asset manager is to help accomplish these objectives with the real estate asset by 1) preserving the long-term and/or appreciative value of the real estate asset through housekeeping, maintenance, inspections, security, renovations and remodels, 2) deriving a financial return for the Quarter Owner from renting out their Quarter Share of a Unit in the Development, and 3) helping Quarter Owners to personally enjoy the lifestyle investment made in the Quarter Share of a Unit in the

Development for themselves, their family and friends.

1.3 This Agreement hereby replaces previous agreements in place dated May 1, 2000 / May 1, 2012 / May 1, 2017 or otherwise.

1.4 Term. The initial term (the "Initial Term") of this Agreement shall be five years Commencing as of June 1, 2022 (the "Commencement Date") and shall be automatically renewed for annual Terms, unless either Party sends a notice of nonrenewal of the Term at least one hundred eighty (180) days before the expiration of the Term (or the current Renewal Term) subject always to earlier termination pursuant to sections 1.5, 1.6, 10.1 or 10.2.

a) In this Agreement, "Term" means the Initial Term and each subsequent Renewal Term up to the date of termination in accordance with this Agreement.

1.5 Termination by the Association. Except for termination pursuant to section 10.1, the Association will not be entitled to terminate this Agreement before the end of the Initial Term. Thereafter, the Association may, by special resolution in accordance with its bylaws, terminate this Agreement on written notice delivered to the Manager not less than 180 days prior to the end of any Term.

1.6 Termination by Manager. Except for termination pursuant to section 10.2, the Manager may only terminate this Agreement on written notice delivered to the Association not less than 180 days prior to the end of any Term.

ARTICLE 2 MANAGER'S HOMEOWNERS ASSOCIATION MANAGEMENT SERVICES

2.1 Agency in Operation of the Development. The Manager shall, subject to the terms of this Agreement, act solely on behalf of and as agent for the Association in the operation of the Development and in fulfilling the duties of the Association under the Quarter Use Leases, and not on its own behalf. In no event, however, shall the Manager have any rights or powers, in the name of or on behalf of the Association, to

- a) bind the Association as principal or to seek indemnification as agent, beyond those expressed in this Agreement. Upon request by the Manager, the Association shall advise any third party that the Manager is acting as agent for the Association in fulfilling the Manager's duties hereunder or in fulfilling the duties of the Association under the Quarter Use Leases.
- b) borrow any money or execute any promissory note, bill of exchange or other obligation or mortgage or other encumbrance without the prior written consent of the Association.

2.2 Responsibility for Expenses. Notwithstanding subsection 2.1b), but subject to any provision of this Agreement to the contrary, all debts, obligations and other liabilities incurred by the Manager in the course of conducting the operation of the Development (including the performance by the Manager of the duties of the Association under the Quarter Use Leases, but specifically excluding any expenses relating to i) the Residential Units to be collected from the Quarter Owners as part of Operating Costs as defined in the Quarter Use Lease and paid to the applicable authority on behalf of the Quarter Owners, and ii) any amount included in an Approved Budget as defined in subsection 2.51.4b) as an expense of the Association), shall be incurred for the Manager's own account and shall be payable out of its own funds. For greater certainty, the cost of all cleaning equipment, inventory and supplies will be for the account of the Manager and not the Association.

2.3 Duties/Standards of Operation.

- a) The Manager shall operate and manage the Development on behalf of the Association and the Quarter Owners, in a proper, faithful and efficient manner, comparable and consistent with the standards prevailing in other first-class strata-style lodges in Whistler, British Columbia which are similar to the Development in style and character and having comparable facilities and amenities.
- b) The Manager shall exercise its control and direction of the operation of the Development in the

best interests of the Association and the Quarter Owners.

- c) The Manager shall not make any substantial change to any major policies or introduce and implement any new major policies affecting the Development and the operation thereof without first obtaining the written consent of the Association; such consent shall not be unreasonably withheld or delayed. The Manager shall keep the Association advised as to all major policy matters affecting the Association but shall have all reasonable discretion in the direction, management and supervision of the operation of the Development in compliance with the provisions of this Agreement.
- d) Front Desk. Without limiting the generality of the foregoing or any obligations pursuant to the Quarter Use Leases, subject to payment by the Association of the amount contemplated in section 5.11.4a)1.4a)ii the Manager will staff and operate the front desk of the Development and concierge service in accordance with the agreed hours of service set out in Schedule A hereto.
 - i. The Manager shall consult with the Association in respect of the recruitment and discharge of the Lodge Manager for the Development.
 - ii. Manager shall provide, at the Manager's sole cost, professional offsite check-in and check-out facilities at all times when the front desk is not operating (which facilities will be operated in accordance with the same standards).
- e) Maintenance. Without limiting the generality of the foregoing or any obligations pursuant to the Quarter Use Leases, subject to payment by the Association of the amount contemplated in section 5.11.4a)iii the Manager will hire staff to maintain the interior of the suites and the Lobby Lot to the level required of a first class establishment at all times in accordance with the agreed hours of service set out in Schedule B hereto.
 - i. Subject to the Approved Budget, the Manager shall, as an expense of the Association and subject to available funds of the Association, repair, maintain and keep the Lobby Lot and all improvements, appurtenances and equipment therein and thereon in good repair and condition, as is fitting for a development of comparable quality and whether such repairs are ordinary or extraordinary, foreseen or unforeseen, excepting from such standard of repair and maintenance damage by fire and other risks (only to the extent that the Association or Strata Corporation is insured against such perils), and reasonable wear and tear (to the extent only that such reasonable wear and tear is not inconsistent with maintenance in good order and condition of the Lobby Lot generally). "Repairs" shall include replacements and renewals when necessary or alterations which the Manager considers necessary or convenient for the operation of the Development. All repairs shall be performed in such manner as not to unreasonably interfere with access to the Development or any portions thereof or impede the access of any other tenant or the operations or beneficial use of the Development or the other retail areas thereof by any other tenant or guest.
 - ii. The Manager shall prepare and maintain, in consultation with the Association, a capital maintenance plan for the Development. This plan will be used to guide the capital maintenance programs and budgets of the Homeowners Association and the Strata Corporation.
 - iii. Subject to section 2.3e)i, the Manager shall not make any repairs, alterations, replacements, fixed decorations or improvements to any part of the Lobby costing individually more than \$2,500 without first submitting to the Association:
 - 1. Details of the proposed work including drawings and specifications conforming to good construction practice and approved by the Manager or consultants designated by the Manager as to design, colour, materials, and consistency and compatibility to the design of the Development; and
 - 2. Evidence satisfactory to the Association that the Manager has obtained all necessary consents, permits, licenses and inspections from all governmental and regulatory authorities having jurisdiction which permits shall be applied for by the Manager in the name of the Association

or, at the option of the Manager, the joint name of the Association and the Manager. Except as otherwise agreed by the association, all such Manager's work, repairs, replacements, alterations or improvements by the Manager to the Lobby Lot approved by the Association shall be performed; a) in a good and workmanlike manner and to a design and standard which conforms to and is integrated with the other areas of the Development; and b) in accordance with the drawings and specifications for such proposed work approved by the Association.

- iv. The Association, or its representatives, may enter upon the Development or any part thereof at all reasonable times and during any emergency to inspect the state of repair and maintenance.
 - v. Each Party shall, when it becomes aware of same, notify the other Party and the Strata Council of the Strata Corporation of any substantial damage to, or deficiency or defect in any part of the Development, including the Lobby Lot, any equipment or utility systems, or any installations located therein, notwithstanding the fact that the Parties may have no obligations with respect thereto.
 - vi. The Manager will implement a maintenance work-order reporting system to be implemented at the start of this agreement. A monthly report will be issued no later than 5 (five) days after each calendar month-end. The work-order report will contain the items identified in Schedule "D". Failure to produce the report will result in the monthly strata management fee being waived for each occurrence.
 - vii. The Association and Manager agree to review the effectiveness of the work-order system and work-order reporting system December 1 and June 1 of each year as to its effectiveness. Changes in the work-order process / reporting will be made upon acceptance by both parties.
- f) Unless otherwise approved by the Association, the Manager will arrange a twice yearly deep cleaning of all of the Residential Units, which shall include all of the carpets and bedspreads (extra charges may apply for laundering of curtains, cushions, duvets, comforters, bed skirts, or upholstery, as requested by the Association), the cost of which will be borne by the Association based on the current Fee & Rate schedule included as Schedule C to this Agreement and determined as part of the annual budgeting process described in section 2.5.

2.4 Regular Meetings. The Manager shall from time to time meet with the directors of the Association to review and evaluate the operation and business affairs of the Development and coordinate and discuss the performance by the Association and the Manager of their respective obligations under this Agreement, and to consider matters related to the operation of the Development such as operating policies and procedures, quarterly reports of operational results, change of personnel and budgets and capital improvement plans. Meetings between the Manager and the directors of the Association shall be held at least quarterly during each calendar year at times and places as are reasonably agreeable to the Manager and the directors. One of the meetings shall take place at the time the Manager submits the preliminary budget for the next year in accordance with subsection 2.51.4a).

2.5 Annual Budget.

- a) On or before May each year, the Manager will prepare and deliver to the directors of the Association a preliminary budget for the next ensuing year, setting out, inter alia, the anticipated operating expenses for the Association, proposed capital expenditures and all required reserves including a reserve for the repair and replacement of in-suite furnishings, fixtures and equipment. The directors will comment on such preliminary budget and the Manager and the directors will cooperate and work together with a view to finalizing for submission to the Association at the annual general meeting of the Association for that year in accordance with the bylaws of the Association.
- b) The Manager shall use commercially reasonable efforts to operate the Development within the annual budget approved by the Association (the "Approved Budget"). The Association acknowledges, however, that the Manager's ability to operate within the Approved Budget is

subject to and may be affected by changes in financial, economic and other conditions and circumstances beyond the Manager's control and the Manager shall not be responsible for any cost overruns or losses in connection therewith, provided the Manager carries out its duties in accordance with this Agreement and makes commercially reasonable efforts to operate within the Approved Budget.

- c) Notwithstanding any other provisions in this Agreement except subsection 2.5d), the Manager shall prepare and submit a written request to the Association for any purchase or expenditure by the Manager or its employees for or on behalf of the Association for the operation of the Development which is not included in the Approved Budget or which exceeds or is reasonably expected to exceed the budgeted amount for that purchase or expenditure in the Approved Budget by more than \$2,500 and not make or permit the Manager's employees to make such purchase or expenditures until the Manager has received the approval of the Association, such approval not to be unreasonably withheld or delayed. The Manager shall not split up any purchases or expenditures which would normally cause the amount to exceed the budgeted amount by more than \$2,500 in order to bring the amount of the variance below \$2,500.
- d) In the event of an apprehended emergency or an unforeseen order of a Governmental or municipal authority or insurance underwriter that requires incurring an immediate expense including repair, replacement or other remedial work to the Lobby Lot or the Development (collectively, "Remedial Action"), which Remedial Action or the scope or cost of which Remedial Action has not been approved by the Association in the current Approved Budget or the Strata Corporation in the current budget for the Strata Corporation, the Manager, in co-operation with the property manager for the Strata Corporation, may so commence and continue with its performance but as soon as reasonably possible the Manager shall advise the Association that Remedial Action has commenced, shall forthwith thereafter advise the Association or the Strata Corporation as to the cause, scope and estimated cost of such Remedial action and shall forthwith provide such further particulars thereof as the Association reasonably requests. If the Remedial Action has not been completed or payment therefore not irrevocably contracted for, the Manager shall not proceed with such Remedial Action after the Association objects, unless the cessation of such Remedial Action may reasonably put the operation of the Development or puts the obligations of the Manager under this Agreement or the obligations of the Association under any Quarter Share Lease in material default. The Remedial Action will be carried out for the account of the Association or the Strata Corporation, as the case may be, and the Manager will be entitled to be reimbursed in full for all costs incurred.

2.6 Personnel.

- a) The Manager shall hire all personnel required to carry out its obligations hereunder and shall be responsible for and use reasonable diligence and due care in the recruitment, promotion, training, supervision and discharging of such personnel. The Manager shall undertake all such actions in compliance with all applicable laws.
- b) All of the employees referred to in subsection 2.6a) shall be employees of the Manager, and the Association shall have no responsibility therefore. The Manager will and does hereby indemnify and save harmless the Association for any and all costs, claims and liabilities to employees relating to labor and employment matters in connection with the Development.
- c) The Manager shall from time to time advise and update the Association in advance as to all proposed changes to any senior personnel, including the Lodge Manager.

2.7 Purchasing. The Manager shall be responsible for purchasing all supplies, furniture and equipment and other merchandise or services as required in the opinion of the Manager for the proper servicing and performance of all functions of the operation of the Development and, in the case of any such items that are for the account of the Association in accordance with an Approved Budget, to reasonably assure purchases for the best available values and other terms.

2.8 Conflicts of Interests. The Manager shall not enter into any agreement or arrangement for the furnishing to or by the Development of goods, services or space with itself or with any person, corporation, partnership, joint

venture, association, company, trust or other entity affiliated (as defined in the Company Act (British Columbia) with the Manager, unless such agreement or arrangement has been approved in advance by the Association after full written disclosure of such relationship, such approval not to be unreasonably withheld or delayed.

2.9 Licenses and Permits.

- a) The Manager shall apply for, obtain and maintain as an expense of the Association, in the name of the Association or, at the option of the Manager, under the joint name of the Association and the Manager, all licenses and permits required by law to be issued in connection with the operation of the Development, other than the Manager's own business license which the Manager will maintain at its own expense.
- b) The Association agrees to execute and deliver any and all applications and other documents and to otherwise co-operate to the fullest extent with the Manager in applying for, obtaining, and maintaining such licenses and permits.
- c) The Manager will, at its own expense, maintain its corporate status in good standing throughout the Term.

ARTICLE 3
MANAGER'S MARKETING AND RENTAL MANAGEMENT SERVICES

3.1 Manager has described its PROFESSIONAL SERVICES related to Marketing and Rental Management of the Residential Units as follows.

a) CHANNEL MARKETING

- i. It is the Manager's job to place all Residential Units in front of as many potential travel customers and at all hours of the day as possible. The most effective way to market these Units to the world is through the many vacation channels that dominate the travel marketplace. Accordingly, the Manager will not market the Units directly to the end consumer, that is the role of the channels. Rather, the Manager focus its entire marketing effort on effectively placing the Units on the channels. The primary channels we work with in this destination for the Residential Units are Ravello Media Group, Expedia, Booking.com, Airbnb and VRBO – among other local, national and international travel agents and wholesalers.
- ii. Channels are today's venue to reach the end consumer. Some channels spend their marketing dollars to capture the traveler to their branded site and then suggest to the traveler any number of destinations and present a multitude of lodging options where they could stay in each destination. Other channels spend their marketing dollars to intercept a traveler who is already searching the internet for lodging in a certain destination (via multiple URLs, google ad words, white hat SEO, remarketing, etc.), direct them to a targeted web site and present specific lodging options.
- iii. Channels operate on a commission basis according to industry standards for each reservation they make on behalf of a Unit. These industry standards typically fall in the range of 15% to 20% depending on various factors (e.g., premium marketing arrangements, relationship history or loyalty and other negotiations). Other than a very limited number of exceptional reservation situations (e.g., true walk-ins or an Owner referral), a channel will be involved and will earn a commission on every reservation.
- iv. Commissions are typically paid to a channel in one of two ways: 1) the channel delivers a net amount to the Manager for the reservation after retaining its commission (most common when the channel is collecting payment from the customer), or 2) the channel invoices the Manager for the commission and is paid after the reservation is completed (most common when the Manager is collecting payment from the customer). Ultimately, there is no real difference under this Agreement between the two methods.
- v. One of the primary channels used by the Manager is Ravello Media Group, part of its parent's

family of companies, which will also be providing marketing and booking services for the Units on a commission basis (rate as of the Commencement Date is 15%).

- vi. The Manager will coordinate with each of the channels we use to establish a fair, reasonable, and competitive rate schedule for the Units as will, in its sole discretion, maximize the Units' revenue, having due regard for general market conditions or seasonality, as well as the Units' class, size, quality, atmosphere, and proximity to recreational facilities or other amenities. The Manager will also be responsible to otherwise market the Units through programs as will, in its sole discretion, maximize the Units' revenue, including event sponsorships; co-branding; establishing, adapting or eliminating minimum length of stay requirements; and vacation packaging or promotional practices standard within the vacation rental industry.
 - vii. The Manager's software and marketing technology integrates fully with the channels and such integration will be continually updated to maximize efficiency and production. The Manager collaborates closely with each channel to maximize the Units' exposure to the world by providing: unit descriptions, photos, virtual tours and other information customized to the Units and each channel's criteria, real time availability, online booking functionality and eCommerce, rate yielding, reputation management, customer service and so forth.
 - viii. In connection with the marketing of the Units to channels and in support of familiarization tours, sponsorship and industry hosting, the Association agrees to grant Manager up to three (3) complimentary nights per year for marketing and promotional use of each Unit. Such complimentary use of a Unit generally will avoid holiday or peak rental periods, will occur only on a last-minute basis, will occur only if there is no then-confirmed reservation for the Unit, and Manager shall assume the responsibility for housekeeping costs in connection with any such stay.
- b) MANAGE UNIT AVAILABILITY. Manager will maintain a record of use and availability in each Unit. This service encompasses Quarter Owner personal use, use by Guests of Owners, and Renters, as well as temporary blocks for service or work in the Unit and is designed to support real time availability and avoid double bookings.
 - c) MANAGE UNIT ACCESS. Manager will oversee distribution of all physical keys, remote access codes, garage access information or codes, alarm codes, pool or clubhouse passes (as applicable) for the efficient operation of the Units. This service encompasses Quarter Owner personal use, use by Guests of Owners, and Renters, as well as third-party vendors or service providers as a means to control access to the Unit.
 - d) REVENUE ACCOUNTING AND DISTRIBUTION. The Manager will be responsible for and authorized to handle invoicing, receipt, collections, accounting and distribution of rents for the Units. The Manager will also oversee collection and payment of all applicable taxes related to rental transactions in the Units (i.e., government taxes, sales taxes, lodging or transient taxes, resort taxes, etc., whether through the channels or through Manager's operation directly).
 - e) BONUS TIME & ELITE ALLIANCE. The Manager will also manage the programs already established and implemented at the Development with respect to Bonus Time and Elite Alliance exchanges.

3.2 Other Provisions Related to Marketing and Rental Management Services.

- a) Costs and expenses incurred by the Manager in providing the Marketing and Rental Management services, whether developed or conducted solely for the Development or as part of the corporate or general advertising program of the Manager, shall be expenses of the Manager. The Manager will also include the Development in its own general marketing material without cost to the Association or the Quarter Owners. The costs and expenses incurred as a result of the attendance of the Manager's employees at conventions, meetings, seminars, conferences and travel congresses shall be the expense of the Manager unless approved by the Association and included in an Approved Budget.
- b) Manager agrees to exercise reasonable precaution in obtaining suitable Renters, executing necessary registration cards, documents and agreements or other permissions so that if a Renter

causes deliberate and negligent damage to a Unit or a Unit's FF&E, Manager will be able, upon reasonable efforts, to collect the cost of such repairs and/or replacements from such Renter. Manager will also operate a peace of mind damage coverage program, as an Additional Service, to protect the Units in the event of accidental damage by Renters.

- c) Rental information, including names and contact information for Renters generated by Manager's marketing and rental management activities, is the sole property of Manager. In the event Renter information is legally compelled to be disclosed, Manager agrees to cooperate with such disclosure to the proper authorities or in the proper forum.
- d) Due to the complexity and technology requirements of real time channel integration, the Manager retains full and exclusive control of all channels and Quarter Owners are prohibited from renting Units on their own.
- e) Manager shall make reasonable efforts to collect, adjust, settle and compromise such debts, claims, demands, disputes and matters which may arise in connection with the rental and management of the Units.
- f) In connection with the responsibilities, costs and associated liabilities related to 1) maintaining channel and guest relationships (as outlined in this Article 3) and 2) handling customer satisfaction, guest resolution, chargebacks or other disputes, the Manager will establish cancellation policies, shall bear the cost of enforcing all such policies with Renters and channels, and shall exclusively retain any funds not returned to Renters or channels under such cancellation policies.
- g) If any Unit participating in rentals is unfit for occupancy due to unrepaired damage or any other reason beyond the control of Manager, the Manager shall not be obligated to provide the Marketing and Rental Management Services related to Unit set forth in this Agreement during such period. Manager will notify the Association and affected Quarter Owners of any such occurrence.
- h) Possession of valid confirmations shall be the sole criteria for determining reservation conflicts and Manager is not required to rely on verbal instructions with respect to any occupancy or change in occupancy by Quarter Owners or Owners' Guests. The Parties understand the negative impact of moving a reservation and agree that if any Unit shows as available on the calendar, it can be reserved by Manager with no notice or pre-approval required and such reservations cannot be moved or cancelled by the Association or Quarter Owners. In the event Manager decides, in its sole discretion, to make an exception and agrees to move a Renter to make way for any Quarter Owner's personal use of the Unit, all costs associated with such relocation (including upgrade costs or moving fees for such relocations) will be the sole responsibility of that Quarter Owner.
- i) The Parties shall use their best efforts to avoid reservation conflicts. If, through error, a Renter is occupying the Unit, or portions thereof, on dates reserved by a Quarter Owner and for which Quarter Owner remits a valid confirmation from Manager that reserves such dates, substitute accommodations shall be provided to the Quarter Owner (i) at Manager's expense if Manager determines that such error was not the Quarter Owner's fault, or (ii) at the Quarter Owner's expense if Manager determines that the error was the Quarter Owner's fault. Quarter Owners hereby acknowledges that in either case, the Quarter Owner shall be required to accept such substitute accommodations and will honor the Renter's reservation and will not be permitted to force removal of the Renter.
- j) In the event of termination of this Agreement by either party, effective as of the notice date of any such termination, Manager will cease marketing the Residential Units for reservations after the conclusion of the Term. Quarter Owners in the Development shall be obligated to honor all existing reservations as of the notice date of the termination, regardless of travel date. Manager will make best efforts to move reservations scheduled after the conclusion of the Term to other units outside the Development. However, the Association agrees that the Manager, at its sole discretion, may charge to the Quarter Owners an upgrade or moving fee for such relocations, if any.
- k) The domain horstmanhouse.com remains with the ownership of the Association and all necessary passwords to manage the domain will be provided at least one week prior to termination of the

agreement.

l) The Manager will also:

- i. Track Owner's, Guest of Owner's and Guest usages to keep track of commercial usage versus personal usages.
- ii. The Manager will ensure usage for an entire suite (i.e. all four quarters combined) does not exceed 182 days of rental usage or available for rental usage without the explicit written approval of all owner(s) of the suite.
- iii. The Manager will provide, at a minimum, quarterly updates on commercial versus residential usage at each quarterly Strata/Homeowners Association meeting

ARTICLE 4 MANAGER'S OWNER EXPERIENCE SERVICES

4.1 Manager has described its PROFESSIONAL SERVICES related to providing for the long-term preservation of each Quarter Owner's investment and enhancing each Quarter Owner's personal enjoyment in the Residential Units as follows.

a) OWNER PERSONAL USE AND THE OWNER PORTAL

- i. Each Quarter Owner purchased a Quarter Share of a Unit in the Development to enjoy it personally with family and friends. We are here to help each Quarter Owner do exactly that.
- ii. The online Owner Portal shows real time availability in a Unit and allows each Quarter Owner to make each reservation needed online (and as far in advance as needed). It becomes the Quarter Owners' reservation system.
- iii. The Owner Portal also is the access point for each Quarter Owner to review statements, newsletters, reports and generally interact with the Manager regarding the Quarter Share in a Unit.

b) ACCOUNTING AND RECORD KEEPING

- i. Manager will open a personal account for each Quarter Owner in our software system to track revenue generated for the Quarter Share in a Unit as well as the housekeeping, maintenance, concierge, management, and other expenses applicable to the ownership experience.
- ii. Additional services a Quarter Owner and guests may incur while staying in the Unit may be paid in full at the time of service, at check out, or by posting such charges to the Quarter Owner's account.
- iii. By the 25th of each month, Quarter Owner account transactions from the prior month will be posted for review and soon thereafter automatically settled out either by Quarter Owner paying in the net amount owing on the account or by Manager distributing out the net amounts earned on the account.

c) INSPECTIONS AND SECURITY

- i. We will inspect Units prior to and following each guest stay and promptly investigate and make a written report regarding accidents, claims for damage or destruction to any Unit (as further addressed under section 3.2b) herein).
- ii. In the off-season, when booking traffic may be slower and not provide sufficient pre-arrival and post-departure opportunities to inspect each Unit, we will never go more than two weeks without

inspecting each Unit to verify its health and viability and will notify the Association of any maintenance requirements.

d) ACCESS TO HOUSEKEEPING, MAINTENANCE AND 3RD PARTY PROFESSIONAL SERVICES

- i. The Manager has professional housekeeping teams at the ready. Units will be cleaned and restocked, at Manager's sole cost and expense, with basic guest supplies following every Renter checkout (or as often as requested and paid for by Renters during the stay). These same housekeeping services are available to Quarter Owners and their guests while staying in a Unit.
- ii. Manager's in-house maintenance staff are prepared to diagnose and provide basic maintenance services in the Units.
- iii. When more advanced maintenance services are required in a Unit, we can also coordinate access to vetted, licensed and approved 3rd party experts. Whether it be electrical, plumbing, HVAC, utilities and appliances, painting, flooring, décor, construction or remodel projects, we can introduce the right person or company to service the Units.
- iv. See the current Fee & Rate Schedule addendum to this Agreement for additional information on housekeeping and maintenance service costs.

e) ACCESS TO CONCIERGE AND ADVISORY SERVICES

- i. Quarter Owners and their guests will enjoy access to concierge and advisory services to help make their vacation experiences the best they can be when staying in a Unit.
- ii. Simple questions, recommendations, information-sharing or scheduling requests are complementary. More involved concierge or advisory projects, designed to improve the personal use experience (e.g., grocery stocking services, décor, travel planning, etc.), will be charged as outlined in the current Fee & Rate Schedule addendum included as Schedule C to this Agreement.

f) OWNER BENEFITS

- i. Whistler is one destination in the resort network of the Manager's family of companies. Any Quarter Owner, in any destination where the Manager operates, enjoys access to discounted travel throughout the network. The discount is typically 20%, but may vary by season or by location. Quarter Owners are invited to check with the Manager to learn more and make travel plans (peak blackout dates may apply).
(Of course, for discounted travel to work in other destinations, it must also work in these Units from time to time for other owners from other destinations.)
- ii. The current Fee & Rate Schedule will also indicate Owner benefits available in the Whistler home resort, if any.

g) COLLABORATION. The Manager will work collaboratively with the Strata Corporation, the Homeowners Association, the municipality, real estate agents, professional service providers hired directly by a Quarter Owner, and any other parties to ensure that the Unit is properly cared for and protected.

4.2 Other Provisions Related to The Owner Experience.

- a) Each Quarter Owner agrees to give written notice to Manager of any desired Owner or Owner's Guest reservation and shall have access to an Owner Portal to enter and reserve space for any owner booking, provided that such reservations will not interfere with rental reservations previously committed by Manager.
- b) During periods of Owner occupancy, Owner and Owner's Guests shall abide by the standard check-in

and check-out procedures.

- c) Manager shall be responsible to handle the collection of rents for the Unit, record in a separate account all revenue and the expenses incurred by a Quarter Owner under this Agreement, maintain rental ledgers and other books of account pertinent to a Quarter Owner's Quarter Share Unit, and prepare the monthly statements, charges, and disbursements for each Quarter Owner.
- d) Manager shall post to the Owner portal, within 25 days after the end of each calendar month during the term of this Agreement, a statement of each Quarter Owner's account. Such statement shall reflect revenue received from the Quarter Share in the Unit and expenses posted to the Quarter Owner's account for the calendar month. The account outstanding balance will be settled within three (3) days after the statement is posted to the Owner portal.
- e) At the conclusion of each calendar year, Manager shall issue to each Quarter Owner an annual statement reflecting the total revenue earned by the Quarter Share in the Unit for the tax year. Each Quarter Owner will be responsible for their own accounting of deductions from said statement (which information may be derived from the monthly or annual statements made available to the Quarter Owners). Any changes to the format of the statements will occur after consultation and agreement with the Association, which agreement shall not be unreasonably withheld.
- f) Manager shall be permitted to deposit revenue associated with each Quarter Owner's Quarter Share in a Unit with other funds generated by rentals of other properties it manages, pursuant to rental and/or homecare agreements, in one or more interest-bearing accounts of Manager. Manager shall not be required to distribute to the Quarter Owners any pro rata share of any interest earned on the funds in such accounts.

ARTICLE 5 MANAGER'S REMUNERATION

5.1 **Management Fees.** As consideration for the Manager's services hereunder, the Association shall pay to the Manager, the following fees:

- a) Association Management Services
 - i. **Accounting Fee. \$1,200 + GST or applicable taxes monthly** attributable to collection of Homeowner Association Fees monthly and follow up of Accounts Receivable and Administration thereof directly. On each anniversary of the Commencement Date, the Accounting Fee will be increased by 5% or the total consumer price index (CPI) as published by the Bank of Canada, whichever is less.
 - ii. **Front Desk Fee. \$7,480 + GST or applicable taxes monthly** (\$89,760 annually) attributable to operating the Front Desk of the Development. As outlined in Schedule A, the Front Desk Fee will be renegotiated between the parties annually based on the service levels requested by the Association and the current Fee & Rate schedule included as Schedule C. If the service levels and/or total number of staff hours which Association requests the Manager to provide increases or decreases during the year, then the Front Desk Fee will be adjusted by an amount that reflects such adjustment based on the current Fee & Rate schedule.
 - iii. **Maintenance Labor Fee. \$7,280 + GST or applicable taxes monthly** (\$87,360 annually) attributable to providing a staff member(s) to provide maintenance services in the Units and in the Lobby Lot of the Development. The Maintenance Labor Fee may be split between the Homeowners Association and the Strata Corporation at a level they choose between themselves, but which shall not affect overall payment of the Fee to the Manager. As outlined in Schedule B, the Maintenance Labor Fee will be renegotiated between the parties annually based on the service levels requested by the Association and the current Fee & Rate schedule included as Schedule C. If the service levels and/or total number of staff hours which Association requests the Manager to provide increases or decreases during the year, then the Maintenance Labor Fee will be adjusted by an amount that reflects such adjustment based on the current Fee & Rate

schedule.

- iv. Under no circumstances, will failure to agree on a new Accounting Fee, Front Desk Fee or Maintenance Labor Fee hereunder prevent the renewal of this Agreement. In such event, the fees and services will continue at the same level as the immediately preceding period until the parties reach an agreement or the matter is decided by an arbitrator pursuant to Section 15.6.

b) Marketing and Rental Management Services

- i. **32.5% of Room Revenue** (defined as Adjusted Gross Revenues in each Quarter Use Lease) for each of the Quarter Share Units.
- ii. **A reservation fee equal to 15.0% on Gross Revenue.** Manager is authorized to charge a reservation fee to Renters on all reservations, designed to cover the costs of the guest experience in the booking and vacation process (e.g., software fees, transaction processing fees, Peace of Mind damage coverage, guest services offset, etc.). The reservation fee may be adjusted over time to match market conditions. Manager will forward 5.0% the reservation fee to the Association each month as a revenue line item in the Association budget.

c) The Owner Experience Services

- i. As of the Commencement Date, there are no additional fees related to the Manager providing the Owner Experience services.

d) Additional Services

- i. This Article 5 will not prohibit the Manager from receiving revenue from any Additional Services provided by the Manager to Owners or Guests from time to time and approved by the Association.
- ii. **"Additional Services"** refers to services or products of the Manager (or a channel) that may be packaged with a lodging reservation or sold during a Renter stay, but that are not part of the Room Revenue. Examples include, among other things, reservation fees, amenity fees, travel insurance, retail products, activities, transportation, peace of mind damage coverage, additional housekeeping requests, concierge and guest services, loyalty programs, and other such services related to the guest experience. Additional Services are the exclusive revenue domain of the Manager.
- iii. **"Room Revenue"** means the net amount received from the channel for the lodging component of a reservation in the Unit. Room Revenue does not include any amounts paid by the Renter for booking commissions, transaction processing fees, or any Additional Services packaged with the reservation either by the Manager or the channel. The Manager typically does not know the total amount that a channel actually charged the guest for the full vacation package (due to commission fluctuations, discounts, promotions, loyalty programs, packaged items, etc.). The Room Revenue is the amount on which the Rental Marketing Fee is charged.
- iv. **"Rental Marketing Fee"** means the % of the Room Revenue paid under section 5.1a)j) to the Manager for Professional Services from each reservation in the Unit.

- e) **Lobby Lot Expenses.** The Association will be responsible for all expenses relating to the Lobby Lot including, without limitation, Strata Corporation fees, assessments and levies, Whistler Resort Association (Tourism Whistler) fees, property taxes and utility costs. The Manager, however, will arrange for the operating expenses of the Strata Corporation per Strata Budgeted amount approved annually.

- f) **Reimbursement of Expenses.** If the Manager has, with notice to the Association, advanced any funds in payment of expenses incurred in fulfilling its duties under this Agreement or the duties of the

Association under the Quarter Use Lease, including expenses in the maintenance of or for the operation of the Development, which are properly the responsibility of the Association, the Manager shall be reimbursed in full as an expense of the Association without delay.

ARTICLE 6 LOBBY LOT

6.1 Use of Lobby Lot. The Manager shall have unrestricted access at all times of the day or night, to Strata Lot 52 in the Development and all limited common property designated for the use thereof (collectively, the "Lobby Lot") (whether alone or with others), including the right to use and enjoy in connection therewith the common property (the "Common Property") of the Development and any easements appurtenant to the Lobby Lot subject always to the bylaws of the Strata Corporation. The Manager shall not use or permit the Lobby Lot to be used for any purpose other than for the operation and management of the Development as a resort lodge in accordance with the Quarter Use Leases.

6.2 Operation. Throughout the Term, the Manager shall continuously operate and conduct the operation of the Development in a commercially reasonable manner within the Lobby Lot and the Development during at least such minimum hours as may reasonably be required by the terms of this, Agreement and the Quarter Use Leases, except while the Lobby Lot is uninhabitable by reason of fire or other casualty. This is a fundamental term of this Agreement, because the operation of the front desk, accounting, reservation and check-in facilities are an essential element in operating the Development.

6.3 No Nuisance, Overloading or Waste. The Manager shall not carry on or suffer to be carried on or offered for sale in the Lobby Lot or elsewhere in the Development anything which is noxious or offensive or morally repugnant or which would constitute a public or private nuisance or which would annoy or disturb or cause nuisance or damage to the occupiers or owners of lands and premises adjoining or in the vicinity of the Development. The Manager shall not permit any overloading of the floor of the Lobby Lot or the Common Property. Except for reasonable wear and tear, the Manager shall not cause any waste or damage to the Lobby Lot or the Common Property.

6.4 Signs. The Manager shall not erect, paint, display, place, affix or maintain or permit to be erected, painted, displayed, placed, affixed or maintained any signage (herein called the "Signs") on the exterior walls of the Lobby Lot, within the Lobby Lot if the same are visible from the exterior thereof or in any other part of the Development except in compliance with the bylaws of the Strata Corporation. The Manager, as an expense of the Association, shall apply for all requisite statutory permits, in the name of the Association or in the joint name of the Association and the Manager at the option of the Manager, which may be required to erect or maintain any such approved Signs.

6.5 Not To Affect Association's or Strata Corporation's Insurance. The Manager shall not knowingly do or omit to do or permit to be done or omitted to be done on the Lobby Lot or elsewhere in the Development which would directly or indirectly cause the insurance premiums in respect of the Lobby Lot or the Development or the Strata Corporation's premiums for liability or property insurance to be increased. The Manager shall not store or permit to be stored upon the Lobby Lot or the Common Property and facilities anything of a dangerous, flammable or explosive nature or anything which would reasonably have the effect of increasing the Manager's or Strata Corporation's insurance premiums or leading to the cancellation of the Manager's or Strata Corporation's insurance. If any insurer gives notice to the Association, the Manager or the Strata Corporation that an insurance policy of the Manager or Strata Corporation is to be cancelled by the insurer by reason of the use and occupation of the Lobby Lot or the Common Property by the Manager or by an assignee, sub-tenant or anyone for whom the Manager is in law responsible (other than the Quarter Owners or guests of the Development) then the Strata Corporation or Association may give written notice thereof to the Manager, and if the Manager does not correct the matter which led to the giving of the notice by the insurer in such time so as to prevent cancellation of the insurance policy, the Association, at its option may, upon 7 days' written notice to the Manager, correct the problem or rectify the situation causing the cancellation.

ARTICLE 7
ASSIGNMENT, SUB-LETTING, SALE, MORTGAGING

7.1 Assignment by Manager.

- a) Unless expressly provided herein, the Manager shall not be entitled to assign, directly or indirectly, all or any of its rights under this Agreement or delegate or Subcontract the principal management function hereunder without the prior approval of the Association, except that it may assign its rights hereunder at any time without such approval as follows:
 - i. as security to its bankers;
 - ii. to any affiliate (as defined in the Company Act (British Columbia)) of the Manager; and
 - iii. To an operator which is a professional hotel operator of equal or greater financial and managerial capacity and ability to that of the Manager.
 - iv. And for the purpose of this section 7.1, a change in the voting control of the Manager will be deemed to be an assignment of the Manager's rights under this Agreement.
- b) Any assignment by the Manager of any of its rights under this Agreement will not release the Manager from any of its obligations hereunder. Any assignment permitted hereunder, will not be effective unless and until:
 - i. The assignee executes an agreement pursuant to which the assignee agrees to assume the Manager's obligations in this Agreement and be bound by all of the provisions hereof; and
 - ii. The assignee also assumes the obligations of the Manager under this Agreement.
- c) For the purposes of this Agreement, "financial and managerial capacity and ability "means the overall ability and capacity of a hotel management company based on:
 - i. its financial status;
 - ii. the perceived operating standards of hotels managed by it;
 - iii. a reasonable estimate of its ability to maintain or increase the occupancy rates for the Residential Units over that which would have been produced by the Manager for the balance of the period under this Agreement under the same conditions; and its ability to provide competent personnel experienced in the hospitality industry in Whistler, British Columbia to manage and operate the Development.

7.2 Assignment by Association. Prior to the Association agreeing to the terms and conditions with any person or persons (other than the Manager) upon which it would be willing to effect an assignment of this Agreement or a transfer or conveyance of the Lobby Lot or any part or interest therein, other than a Mortgage granted pursuant to section 7.4, the Association shall give written notice thereof to the Manager. The Association shall not so assign this Agreement or transfer or convey the Lobby Lot or any part or interest therein, without the prior written consent of the Manager, not to be unreasonably withheld as long as the Association is also conveying the Lobby Lot and assigning its interest in all of the Options, Head Leases and Quarter Use Leases to the same party. For the purposes of the Manager considering any such request by the Association, the Association shall provide to the Manager such information concerning the proposed transferee, including financial information, as the Manager requires.

7.3 Transfer of Lobby Lot. Subject to section 7.2, if the Association conveys or assigns or otherwise divests itself of its interest in the Lobby Lot or any portion thereof, then the transferee or assignee thereof shall assume directly with the Manager, in legally binding form, the covenant and obligation of the Association herein and pursuant to every other agreement between the Association and the Manager in respect of the Lobby Lot, and

each and every Option, Association Lease and Quarter Use Lease. Unless the parties otherwise agree, the Association shall be relieved of its obligations under this Agreement arising from and after the effective date that the Manager has received notice of such conveying, assigning or divesting of the Association's obligation under this Agreement and the assumption by the assignee in legally binding form with the Manager.

7.4 Mortgages.

- a) The Association shall have the right to encumber all of the assets that comprise the Lobby Lot, any part thereof, or any interest therein, only as contemplated in any mortgage ("Mortgage") that is executed in connection with the financing or refinancing of the Lobby Lot. In conjunction with the exercise of its right to so encumber, the Association may also assign to any mortgagee(s) ("Mortgagee") under the Mortgage, as collateral security for any loan secured by a Mortgage or other covenant, all of the Association's rights, title, and interest in and to this Agreement, provided that the Association first obtains from the Mortgagee a non-disturbance agreement in favour of the Manager in a form approved by the Manager, acting reasonably.
- b) On reasonable advance notice from a Mortgagee or beneficiary of any deed of trust encumbering the Lobby Lot or the interests of the Association under this Agreement, the Manager shall accord to such person or entity and its agents the right to enter on any part of the Lobby Lot at any reasonable time during the Term for the purpose of examining, inspecting, or making extracts from the financial books and records of the Association.

ARTICLE 8 STRATA CORPORATION

8.1 Reservation to the Strata Corporation. The Manager acknowledges that control over and ownership of outside walls of the Lobby Lot, shafts, stacks, pipes, conduits, ducts and other building facilities, the heating, electrical, plumbing, air-conditioning and other building systems, and the use thereof as well as access thereto through the Lobby Lot for the purpose of use, operation, maintenance and repair, are expressly retained by the Strata Corporation.

8.2 Observation of Bylaws and Easements. The Manager shall abide by, observe and perform such actions as are required of it by the bylaws of the Strata Corporation or which run with the Lobby Lot, including easements and licenses. Any expenses associated therewith shall be treated as an expense of the Association.

8.3 Maintenance by the Strata Corporation. The Association shall, at all times throughout the Term, use commercially reasonable efforts to cause to be maintained and repaired by the Strata Corporation, as would a prudent owner of a reasonably similar commercial development; subject to reasonable wear and tear, having regard to size, age and location, the structure of the Development and Common Property including, without limitation, the foundations, exterior wall assemblies including weather walls, sub-floor, roof, bearing walls, and structural columns and beams of the Development. The cost of such maintenance and repairs, except for the cost of repairing or replacing any damage caused by the Manager, its invitees (other than guests of the Development or Quarter Owners), employees, or agents shall be for the account of the Strata Corporation.

ARTICLE 9 INSURANCE

9.1 The Manager and Association shall have their own and independent insurance policies. The Association at their own cost shall add The Manager as an additional insured only for activities related to the Development and operations. The Manager at their own cost shall add the Association as an additional insured and only for the activities related to the development and the operations carried out by the manager. Both the Association and The Manager shall keep their respective insurance policies in force throughout the Term in the joint names of the Association and Manager such insurance as is required under the Quarter Use Leases, and to the extent providing greater coverage, the following:

- a) Comprehensive general liability insurance (including, without limitation, tenant's fire, legal and employer's liability and contractual liability) against claims for personal injury, death or property damage occurring upon or in or about the Lobby Lot, the Common Property and the Development;

coverage to include the activities and operations conducted or supervised by the Manager and its employees and any other person on the Lobby Lot, and by the Manager and any other person performing work on behalf of the Manager or the Association and those for whom the Manager or the Association is in law responsible in any other part of the Development or Common Property and facilities. Such policies shall be written on a comprehensive basis with inclusive limits of not less than \$5,000,000 for bodily injury to any one or more persons, or property damage, and such higher limits as the Association, acting reasonably, requires from time to time;

- b) Fire insurance with extended coverage endorsement and water damage insurance (including, if applicable, sprinkler leakage), covering all property in the Development for which the Manager is legally liable including, without limitation, inventory, improvements, furniture, equipment, fittings, and fixtures in amounts adequate to cover fully any loss that the Manager could reasonably be foreseen to sustain; if there is a dispute as to the amount which comprises full replacement cost, matter shall be referred to arbitration pursuant to Section 15.6;
- c) Business interruption insurance for a minimum period of 12 months, if/as available;
- d) Fidelity and dishonesty insurance;
- e) Insurance for losses from crime, theft by burglary or robbery; and
- f) Any other form of insurance and such higher limits as the Association or the Manager, acting reasonably, deems advisable from time to time in form, in amounts and for insurance risks against which a prudent Manager may act.

ARTICLE 10 DEFAULT, TERMINATION AND SURRENDER

10.1 Rights of Termination of Association. The Manager recognizes and agrees that the maintenance of the front desk, check-in and check-out facilities, reservation system and management of the Development pursuant to the Quarter Use Leases is a fundamental condition to the successful operation of the Development.

- a) If and whenever:
 - i. there is a breach of any of the Manager's obligations hereunder (other than as set out in the other clauses of this Article) which is not cured within 15 days after delivery of notice by the Association to the Manager specifying such breach, provided that if any default of the Manager can only be cured by the performance of work or the furnishing of materials and if such work cannot reasonably be completed or such materials reasonably obtained and utilized within said 15 days, then such default shall not be deemed to continue if the Manager proceeds promptly and continues diligently with such work or causes such work to occur in an expeditious and continuous manner as may be necessary to cure the default;
 - ii. except as permitted in this Agreement, the Manager assigns this Agreement or subcontracts or delegates its obligations hereunder without the Association's consent;
 - iii. the Manager files a petition in bankruptcy, any proposal for reorganization, or for an arrangement under any bankruptcy or insolvency laws, or if any petition under any such law is filed by any third party against the Manager and not dismissed within 60 days; or
 - iv. the Manager makes any assignment of its property for the benefit of the Manager's creditors.
- b) Then in any of the said cases, (and notwithstanding any prior waiver of breach of covenant) the Association, at its option, may (and without prejudice to any other right or remedy it may then have or be entitled to) immediately or at any time thereafter, provided such breach is still subsisting, and without notice or any form of legal process

- i. remedy any such default if not cured within the time period specified in section 10.1a)i and for such purpose may at any time upon seven day's written notice enter upon the Lobby Lot, provided that no notice is required in the event of an emergency. No entry for such purpose shall be deemed to cause a forfeiture or termination of this Agreement or shall be deemed to be a trespass. In order to cure such default, the Association may do such things as are necessary to cure the default and such things as may be incidental thereto (including, without limitation, the right to make repairs and to expend monies). The Manager shall reimburse the Association for the aggregate of all expenses incurred by the Association in remedying any such default except where such expenses are expenses of the Association. The Association shall be under no obligation to remedy any default of the Manager and shall not incur any liability to the Manager for any action or omission in the course of its remedying or attempting to remedy any such default unless such act amounts to intentional misconduct or gross negligence on the part of the Association.
- ii. terminate this Agreement and expel the Manager and those claiming through or under it and remove its or their effects (forcibly if necessary) without being deemed guilty of or liable for any manner of trespass, any statute or law to the contrary notwithstanding.

10.2 Rights of Termination of Manager. The Association recognizes and agrees that the maintenance of the Lobby Lot and the Residential Units is a fundamental condition to the successful operation of the Development. The Association recognizes and agrees that on written notice the Manager may immediately terminate his Agreement if:

- a) If and whenever:
 - i. there is a breach of any of the Association's obligations hereunder (other than as set out in the other clauses of this Article) which is not cured within 45 days after delivery of notice by the Manager to the Association specifying such breach, provided that if any default of the Association can only be cured by the performance of work or the furnishing of materials and if such work cannot reasonably be completed or such materials reasonably obtained and utilized within said 45 days, then such default shall not be deemed to continue if the Association proceeds promptly and continues diligently with such work or causes such work to occur in an expeditious and continuous manner as may be necessary to cure the default, without prejudice to any other right or remedy it may have or be entitled to;
 - ii. any goods and chattels within the Lobby Lot are at any time seized or taken in execution or attachment by creditors of the Association;
 - iii. the Association files a petition in bankruptcy, any proposal for reorganization, or for an arrangement under any bankruptcy or insolvency laws, or if any petition under 'any such law is filed by any third party against the Association;
 - iv. the Association makes any assignment of its property for the benefit of the Association's creditors; or
 - v. the Association is no longer the Lessor pursuant to the Quarter Use Leases.
- b) Then in any of the said cases, (and notwithstanding any prior waiver of breach of covenant) the Association, at its option, may (and without prejudice to any other right or remedy it may then have or be entitled to) immediately or at any time thereafter, provided such breach is still subsisting, and without notice or any form of legal process
 - i. remedy any such default if not cured within the time period specified in section 10.2a)i. In order to cure such default, the Manager may do such things as are necessary to cure the default and such things as may be incidental thereto (including, without limitation, the right to make repairs and to expend monies). The Association shall reimburse the Manager for the aggregate of all expenses incurred by the Manager in remedying any such default except where such expenses are expenses of the Manager. The Manager shall be under no obligation to remedy any default of the Association and shall not incur any liability to the Association for any action or omission in the

course of its remedying or attempting to remedy any such default unless such act amounts to intentional misconduct or gross negligence on the part of the Manager.

- ii. terminate this Agreement.

10.3 Termination Date. In the case of termination pursuant to sections 10.1 10.2 inclusive, the termination shall be deemed to take effect one day prior to the occurrence of the event referred to therein.

10.4 Holding Over. The Manager may only remain on the Lobby Lot after the expiration of the Term upon written consent of the Association. If the Manager remains on the Lobby Lot after the expiration of the Term in the absence of a written agreement, the Parties shall be subject for the relevant period to all terms of this Agreement.

10.5 Surrender. Upon the expiration or earlier termination of this Agreement and the Term, the Manager shall terminate its use of the chattels and improvements not owned by the Manager and all fixtures and fixed improvements therein (subject to, the other provisions to this Article 8 and excepting all improvements bearing a logo or trademark of the Manager) and copies of all relevant records of the operation of the Development, all of which shall thereupon become available for the exclusive use of the Association without any claim by or compensation to the Manager, all in good order, condition and repair in accordance with the Manager's obligation to repair and maintain, and free and clear of all encumbrances and all claims of the Manager or the Association or of any person claiming by or through or under them and all the rights of the Manager or the Association under this Agreement shall terminate save as herein expressly set out. Notwithstanding the foregoing, the Association acknowledges and agrees that throughout the Term and any renewals thereof, all chattels and fixtures paid for or owned by the Manager (where the cost thereof has not been reimbursed to the Manager pursuant to this Agreement) on and in the Lobby Lot are the property of the Manager.

10.6 Removal of Equipment and Trade Fixtures. The Manager, at the expiration of the Term or termination of this Agreement may remove from the Lobby Lot and the Development all its own equipment and trade fixtures and to efface its logo and trademark where it appears on improvements, and shall make good any damage to the Lobby Lot caused or occasioned thereby. In no event shall the Manager remove from the Lobby Lot any partitions, floor coverings, draperies, local wiring, including floor or air conditioning ducts, telephone conduits or plumbing; heating, air-conditioning, electrical or ventilating plant or equipment or other building services. It is acknowledged that the telephone system and switchboard is the property of the Association and the computer system at the front desk is the property of the Manager.

ARTICLE 11 IMPOSSIBILITY OF PERFORMANCE

11.1 Non-Performance. Whenever the Association or the Manager is unable to fulfill any obligation hereunder in respect of the provision of any service, utility, work or repair by reason of being unable to obtain the materials, goods, equipment, service, utility or labour required to enable it to fulfill such obligation or by reason of any law or regulation or by reason of any other cause beyond its reasonable control or event of force majeure, but excluding, in the case of the Association, the availability of funds, such party shall be entitled to extend the time for fulfillment of such obligation by a time equal to the duration of the delay or restriction. The other party shall not be entitled to any compensation for any inconvenience, nuisance or discomfort thereby occasioned or to cancel this Agreement, and no such interruption shall be deemed to be a disturbance of the Manager's enjoyment of the Lobby Lot. The party who is prevented from performing, in the event of such interruption, shall proceed to overcome same with all reasonable diligence.

ARTICLE 12 BANKING, REPORTING AND FINANCIAL RECORDS

12.1 Regular Reports. The Manager shall, at the Association's expense, subject to the Approved Budget, prepare or cause to be prepared the following reports:

- a) Within 21 days of the end of each fiscal quarter during the Term (i.e., August, November, February and May), the Manager shall deliver a quarterly report setting out the interim financial results of the

Association for the preceding quarter including comparisons between actual results and the Approved Budget (with explanations for any material variances), a cash flow analysis, and a report setting out details of any Quarter Owners who are in default of payment of their share of Operating Costs (as defined in the Quarter Use Lease);

- b) Within 30 days of the end of each fiscal year during the Term, the Manager shall deliver to the Association year-end financial statements of the Association for the immediately preceding calendar year including a balance sheet, a statement of income and loss and cash flow statement prepared by a chartered accountant on a "notice to reader" basis; and
- c) Such reports as are required to be prepared for the Quarter Owners pursuant to the respective Quarter Use Leases.

12.2 IFRS. All reports shall be prepared under the supervision of the Manager in accordance with international financial reporting standards (IFRS).

12.3 Banking.

- a) All funds collected from the Quarter Owners in respect of Operating Costs (as defined in the Quarter Use Leases) and received by the Manager shall be promptly deposited by the Manager in an operating account in the name of the Association in either a Schedule I bank or banks in Whistler or with such trust company or credit union as may be approved by the Association from time to time. The Capital Reserve Fund (as defined in the Quarter use Leases) shall be placed in a separate account in such an institution in the name of the Association in accordance with section 7.2 of the Quarter Use Leases.
- b) All funds collected by the Manager in connection with the Rental Arrangement (as defined in the Quarter Use Lease) will be deposited in accordance with Article 3 of Schedule A to the Quarter Use Leases.
- c) Persons designated by the Manager and approved by the Manager, acting reasonably, shall have signing authority on the accounts referred to in subsections 12.1(a) and (b) and shall be permitted in accordance with instructions from the Manager only to withdraw funds to pay the expenses for which the funds were collected in accordance with this Agreement and the Quarter Use Leases. The Association will complete all required account authorization forms for the accounts in accordance with the reasonable directions of the Manager and will not amend any such forms without the prior written consent of the Manager.
- d) The Association also choose to have two officers from the Homeowners Association as signing authority on the accounts described in 12(c)., which will require two signatories for any financial transactions. The Manager will not amend any such signatories without the prior written consent of the Association.
- e) For greater certainty, but without limiting the generality of the foregoing, monies received by the Manager on behalf of the Association, shall be kept separate from the Manager's own funds.

12.4 Books and Records.

- a) The Manager shall, on behalf of the Association and the Quarter Owners, keep proper and complete books of account relating to or reflecting the results of the operation of the Development. All such books of account and all such records shall be the property of the Association and the Quarter Owners and shall be available to the Association and the Quarter Owners at all reasonable times for examination, audit, and inspection and copying. Upon any termination of this Agreement all of such books and records forthwith shall be turned over to the Association and the Quarter Owners so as to ensure the orderly continuance of the operation of the Development. The Manager may retain copies of such books and records.
- b) The books and records shall be kept by the Association at the Development or such other places as

the parties agree for at least seven years subsequent to the date of termination of this Agreement.

12.5 Audit. The Manager shall allow and cooperate with any audit of the books and records relating to the operation of the Development ordered by the Association which may be made on reasonable notice to the Manager.

ARTICLE 13 NOTICE

13.1 Notice. Any notice, demand, request or direction or other instrument required or permitted to be given under this Agreement shall be in writing, and may be given by delivering same or mailing same or emailing same or sending same by telex, fax or other similar form of communication in each case addressed as follows:

- a) To the Association:
Attn: Council

4653 Blackcomb Way
Whistler, British Columbia V0N 1B4
Fax: () _____
Email: Horstmanhouse@whistlerpremier.com

- b) To the Manager:
4557 Blackcomb Way
Whistler, British Columbia V0N 1B4
Fax: (604) 935-1178
Email: operations@whistlerpremier.com

13.2 Any notice, demand, request, direction or other instrument aforesaid, if delivered, emailed sent by telex or fax, shall be deemed to have been given or made on the day on which it was delivered, and if mailed, shall be deemed to have been given or made on the fifth day of regular postal service following the day on which it was mailed. Any party may give written notice of change of address in the same manner, in which event any such notice shall thereafter be given to it as above provided at such changed address. In the case of any notice, demand, request, direction or other instrument as aforesaid being given by mailing, it shall be sent by registered mail, postage prepaid.

ARTICLE 14 INTERPRETATION

14.1 Interpretation. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- a) "This Agreement" means this Management Agreement, as it may from time to time be supplemented or amended by one or more agreements between the parties in accordance with the terms hereof;
- b) All references in this Agreement to designated "Articles", "sections" and other subdivisions are to the designated articles, sections and other subdivisions of this Agreement;
- c) The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision;
- d) The headings and section numbering are for convenience only and do not form a part of this Agreement and they will not be used to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof;
- e) The word "including", when following any general statement, term or matter, will not be construed to limit the general statement, term or matter to the specific items or matter set forth immediately

following such word or to similar items or matters, whether or not non-limiting language is used; and

- f) Words importing the neuter gender include the masculine or feminine gender and words in the singular include the plural, and vice versa.

14.2 Applicable Law. This Agreement will be governed by and construed and enforced in accordance with the laws of the Province of British Columbia, which will be deemed to be the proper law hereof, and the courts of British Columbia will have exclusive jurisdiction in connection with all matters under this Agreement and the interpretation and enforceability hereof.

ARTICLE 15 MISCELLANEOUS

15.1 Waiver. No waiver of any default shall be binding unless acknowledged in writing by the party waiving the default.

15.2 Condoning. Any condoning, excusing or overlooking by the one party of any default by the other party shall not operate as a waiver of the others rights hereunder in respect of any subsequent, default.

15.3 Acknowledgment by the Manager and the Association. Each of the Manager and Association shall execute promptly, whenever requested by the other, a certificate in favour of any prospective mortgagee or purchaser of the other certifying the status of this Agreement, any modifications or breaches of this Agreement within its knowledge, all with the intent that any such certificate may be relied upon by any party to whom it is directed.

15.4 Consent. Wherever "consent" or "approval" to an action is required of the Association or Manager, such consent or approval shall not be unreasonably withheld or delayed unless the specific provision requiring such consent or approval so expressly allows.

15.5 Mutual Indemnities.

- a) The Manager shall and does hereby indemnify and save harmless the Association, in full, from and against any and all loss, damage or liability whether criminal or civil and from all legal fees and costs incurred by the Association resulting from the negligence or willful misconduct, or breach of this agreement, by the Manager, its agents and employees and those for whom it is in law responsible.
- b) The Association shall and does hereby indemnify and save harmless the Manager, in full, from and against any and all loss, damage or liability whether criminal or civil and from all legal fees and costs incurred by the Manager resulting from breach of this agreement by the Association or arising out of work done by, or any act or omission of the Manager, the Manager's agents and employees and those for whom it -is in law responsible except for acts or omissions which constitute negligence or willful misconduct.

15.6 Arbitration. Where any matter is, pursuant to the provisions of this Agreement, to be submitted to arbitration, such matter may be submitted to arbitration by either party giving written notice to the other party that the party giving the notice has elected to have such matter submitted to arbitration.

- a) In considering the matter in arbitration, the arbitrator shall be directed to deem the performance criteria for the operation of the Development imposed on the Association by the terms of the Quarter Use Sublease to be fundamental.
- b) Such arbitration shall be carried out by a single arbitrator mutually agreed upon by the parties. If the parties fail to agree upon an arbitrator within 15 days after a party has notified the other party of the name of the person it nominates to carry out the arbitration, then either party may apply to a judge of the Supreme Court of British Columbia for the appointment of an arbitrator and such appointment shall be binding on the parties.

- c) Any arbitrator nominated or selected shall be independent of each of the parties to the dispute.
- d) It is the intention of the parties that the arbitration shall be conducted, and that the determination or award of the arbitrator be made and communicated in writing to the parties, as expeditiously as possible and this shall be reflected in choice of and directions given to and by the arbitrator. The arbitrator shall conduct the arbitration of the dispute as expeditiously as reasonably possible and shall provide written reasons for his decision.
- e) The decision of the arbitrator duly appointed pursuant to this Section 15.6 shall be final and binding upon the parties hereto. No limitation imposed by or pursuant to the Commercial Arbitration Act (British Columbia) on the remuneration of the arbitrator shall apply.
- f) The arbitrator is authorized to include in his determination an award in favour of either party in respect of any costs incurred in connection with or in respect of the arbitration, including the cost of the arbitrator and the arbitration and all legal and other professional costs and disbursements and although such an award must be made on a judicial basis, it need not be based on any court-approved tariff basis and may be on a complete indemnity basis.
- g) In all other respects the arbitration shall be governed by the Commercial Arbitration Act (British Columbia), as the same may be amended or replaced from time to time.

15.7 Partial Invalidity. If for any reason whatsoever any term, covenant or condition of this Agreement (other than the covenants to pay) or the application thereof to any person or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, then such term, covenant or condition:

- a) is deemed to be independent of the remainder of the Agreement and to be severable and divisible therefrom, and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of the Agreement or any part thereof; and
- b) continues to be applicable to and enforceable to the fullest extent permitted by law against any person and circumstances other than those as to which it has been held or rendered invalid, unenforceable or illegal.

15.8 Enforcement. Neither party is obliged to enforce any term, covenant or condition of this Agreement against any person, if, or to the extent that by so doing, such party is caused to be in breach of any laws, rules, regulations or enactments from time to time in force.

15.9 Enuring Effect. This Agreement and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective heirs, executors, administrators, successors and permitted assigns.

(REST OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

DocuSigned by:



86C048BE86DB4AC...

By: **Nolan Peters**

Its: **President**

DocuSigned by:



CDEF5129F89B47E...

By: **Nancy Serwo**

Its: **Secretary Treasurer**

2162161 ALBERTA, LTD.



By: **G. Scott Rogers**

Its: **Director**

SCHEDULE 'A'

MINIMUM REQUIREMENT – FRONT DESK TIMETABLE

LODGE MANAGER and/or Front Desk Guest Service coverage onsite.

US Thanksgiving to APRIL Mountain Closing (22 weeks)

<u>Days</u>	<u>Hours</u>	<u>Staff</u>
Sunday to Thursday	9:00 am to 5:00 pm	One
Friday	9:00 am to 11:00 pm	Two (with 2 hours overlapping coverage)
Saturday	8:00 am to 11:00 pm	Two (with 1 hour overlapping coverage)

July to September (Labor Day) (10 weeks)

<u>Days</u>	<u>Hours</u>	<u>Staff</u>
Sunday to Thursday	9:00 am to 5:00 pm	One
Friday	9:00 am to 11:00 pm	Two (with 2 hours overlapping coverage)
Saturday	8:00 am to 11:00 pm	Two (with 1 hour overlapping coverage)

May to June / September Labor Day to November (20 weeks)

<u>Days</u>	<u>Hours</u>	<u>Staff</u>
Sunday to Thursday	NA	NA
Friday	9:00 am to 11:00 pm	Two (with 2 hours overlapping coverage)
Saturday	8:00 am to 11:00 pm	Two (with 1 hour overlapping coverage)
Sunday (long weekends)	9:00 am to 5:00 pm	One
Monday (long weekends)	9:00 am to 1:00 pm	One

It is acknowledged and agreed by both parties that the above is the minimum requirement for front desk service. On a yearly basis, both parties will agree on the minimum requirement for the front desk schedule. The Front Desk Fee in section 5.1a)a)ii will then be fairly renegotiated annually based on the current Fee & Rate Schedule. The Manager's current Fee & Rate schedule as of the Commencement Date is included as Schedule C.

It is acknowledged and agreed by both parties that Lodge Manager is full time dedicated to HorstmanHouse on an Annual Basis and onsite hours included in above. Additional time may be spent either on or offsite attending to Homeowner Services during front desk closure periods. The Lodge Manager will be responsible for in room Quality Control checks periodically, managing inventory with the Housekeeping staff.

2022/2023		S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M				
Jun-22				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		
Lodge Manager						8	8							8	8						8	8					8	8							
GSA Team						8	8							8	8						8	8					8	8	8	4					
Jul-22					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Lodge Manager					8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8	
GSA Team					8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8	
Aug-22		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
Lodge Manager		8	8	8	8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8			8	8				
GSA Team		8			8	8			8	8	8	8	8			8	8	8	8	8			8	8	8	8	8			8	8				
Sep-22				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		
Lodge Manager				8	8	8			8	8	8	8	8						8	8						8	8					8			
GSA Team				8	8	8			8	8	8	8	8						8	8					8	8					8				
Oct-16					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Lodge Manager					8							8	8							8	8					8	8					8	8		
GSA Team					8							8	8							8	8				8	8					8	8			
Nov-16			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30			
Lodge Manager					8	8						8	8							8	8					8	8			8	8				
GSA Team					8	8						8	8							8	8				8	8			8	8					
Dec-16				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
Lodge Manager				8	8				8	8	8	8	8							8	8					8	8			8	8	8	8		
GSA Team				8	8				8	8	8	8	8							8	8				8	8			8	8	8	8			
Jan-23	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31				
Lodge Manager		8	8	8	8	8				8	8	8	8	8					8	8					8	8	8			8					
GSA Team	8	8			8	8			8	8	8	8	8	8					8	8				8	8	8	8			8					
Feb-23			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28					
Lodge Manager			8	8	8				8	8	8	8	8							8	8				8	8	8	8			8				
GSA Team			8	8	8				8	8	8	8	8							8	8				8	8	8	8			8				
Mar-23			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		
Lodge Manager			8	8	8				8	8	8	8	8							8	8				8	8	8	8			8	8			
GSA Team			8	8	8				8	8	8	8	8							8	8				8	8	8	8			8	8			
Apr-23					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Lodge Manager					8							8	8							8	8					8	8					8	8		
GSA Team					8							8	8							8	8				8	8					8	8			
GSA 2					8							8	8							8	8				8	8					8	8			
May-23		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30				
Lodge Manager					8	8						8	8							8	8					8	8								
GSA Team					8	8						8	8							8	8				8	8									

SCHEDULE 'B'

MINIMUM REQUIREMENT – MAINTENANCE TIMETABLE

Year Round

<u>Days</u>	<u>Hours</u>	<u>Staff</u>
Sunday to Saturday	10:00 am to 4:00 pm	One

It is acknowledged and agreed by both parties that the above is the minimum requirement for maintenance service. On a yearly basis, both parties will agree on the minimum requirement for the maintenance schedule. The Maintenance Labor Fee in section 5.1a)iii will then be fairly renegotiated annually based on the current Fee & Rate Schedule. The Manager's current Fee & Rate schedule as of the Commencement Date is included as Schedule C.

The parties acknowledge that the Maintenance Labor Fee described herein may be split between the Strata Corporation and Homeowners Association budgets at a level that these two entities determine between themselves.

Schedule 'C'

FEE & RATE SCHEDULE

This addendum outlines the current Fee & Rate Schedule applicable as of the Commencement Date. The Agreement contemplates adjustments to these fees every year in response to market conditions, a tightening labor market, and general cost increases.

A new current Fee & Rate Schedule will be produced annually and will become applicable on the Anniversary Date of the Agreement.

Fees Paid by the HOA / Quarter Owner

Owner Housekeeping	1-bed	2-bed	3-bed
Departure Clean	\$85	\$115	\$140
Additional In-stay Services (Hourly)	\$35	\$35	\$35

HOA Housekeeping	
Semi-annual Deep Cleans* (hourly)	\$35

Maintenance	
Hourly basis for determining annual Maintenance Labor Fee	\$40
After Hours Daytime Service Calls <i>(after 5 pm and before 9 am Hourly)</i>	\$70
After Hours Overnight Service Calls <i>(10 pm to 7 am Hourly)</i>	\$120
Parts, Materials, Supply Stock & Inventory	At cost
3 rd Party Professionals	At cost

Front Desk	
Average hourly basis for determining annual Front Desk Fee	\$30

Owner Concierge	
Personal Projects (Hourly)	\$45
Materials	At cost

Additional Accounting Fees	
Tax Withholding / Filing Services for NR4 <i>(from approved partner list)</i>	\$300
Tax Withholding / Filing Services for NR4 <i>(non-approved firm)</i>	\$1,000

General Notes:

* Deep cleans are required twice a year and done in the off season. Deep Cleans are paid through the Homeowner Association as part of the annual budget.

Listed fees do not include applicable taxes, where required.

Fees Paid by Renters

Manager charges certain other fees to Renters, which are bundled with lodging on every reservation to arrive at the total rate paid by Renters for their vacation experience, including items such as government taxes, channel booking commissions, transaction processing fees, items described in Additional Services, and so forth. With housekeeping in particular, Guests and Renters requesting additional housekeeping services will be responsible to pay for such housekeeping services.

As always, commissions charged to the end consumer by travel channels for providing the booking are paid to the channels out of the total rate paid by the Renter.

SCHEUDLE 'D'

WORK ORDER SYSTEM REPORTING

The following is envisioned the five steps involved in the end-to-end process of the work order system.

1. Source:
 - a. Owners feedback forms (Provide Owner's name)
 - b. Owners/Guests Feedback to Front Desk (Front Desk Person is the Requester in this Case)
 - c. Calls to Le Chamois ("Front Desk LC" would be requestor)
 - i. This will track how many issues occur when the front desk is closed
 - d. Emails (primarily from Owners)
 - i. Owner's name plus "Email"

2. Prioritize

3. Schedule

4. Work is Completed

5. Analyzed

A. GLOSSARY:

- Work Request
 - A maintenance request that has been created however not scheduled
- Work Order
 - A work request that is now scheduled
 - Can be classified as planned or unplanned

B. TYPES OF WORK ORDERS

- Preventative
- Corrective (when doing preventative work something is discovered)
- Emergency
- Inspection
- General

C. MAINTENANCE WORK-ORDER REPORT

1. Location
 - a. Suite Number
 - b. Location (i.e. Lobby, Ski Room, Stairwell 1, Upper Garage etc.)
2. Asset
3. Priority
4. Description of the Issue
5. Scope of Work
6. Parts Used

7. Parts Required
 - a. If not available and needs to be ordered
 - b. This tracks the inventory of parts that are commonly used and determines whether we should have a "few" on hand
8. Health and Safety Procedures
 - a. I.e. ensure pool electrical is turned off
9. Date Requested
 - a. Creation date of work request
10. Expected Completion Date
11. Actual Completion Date
12. Expected Hours
13. Actual Hours
14. Assigned to
 - a. Lee
 - b. Dave
 - c. Third Party (i.e. Spark Electrical)
 - d. Others
15. Notes